



Fast Blast

From the California Student Aid Commission

June 8, 2007

From Diana Fuentes-Michel

Executive Director, California Student Aid Commission

In support of the Commission's ongoing goal of providing California's financial aid community with proactive and current updates, we are providing this update on programs and projects. Please share this with any interested person who may not have received this newsletter.

IPA Update: Progress Made on Remaining Issues

I'm pleased to report that our grants staff, segmental representatives and members of the Grant Advisory Committee had a productive workshop May 24 in which they tackled three key issues that the Commission hopes to put in the 2008-09 Institutional Participation Agreement (IPA), the guiding contract between CSAC and institutions participating in our Cal Grant program. The three items -- high school graduation confirmation, California residency and separate Cal Grant accounts -- were the focus of three breakout sessions at the workgroup, and staff obtained valuable input that is being used to craft what we hope are collaborative solutions that meet with everyone's approval. Staff reports that we may be reaching common ground on a plan of action to tackle the graduation issue and on crafting suitable residency definition and procedures that will provide a consistent approach for schools to use. We are still looking carefully on the subject of whether or not schools will be required to have separate Cal Grant accounts. Our draft recommendations will first be shared before GAC in July, and it is hoped that we will come away from that meeting with recommendations for the Commission no later than September.

Meanwhile, we are moving ahead with a one-year extension of the previous IPA with the following changes:

- * Institutions are required to keep Cal Grant funds in interest-bearing accounts.
- * There is no mandate at this time that those accounts should be separate or should not be commingled.
- * The final Cal Grant reconciliation deadline was moved from October 15 to December 31 following the award year.
- * A new information security section has been incorporated into the 2007-08 IPA.
- * The duration of the 2007-08 IPA is for one year: July 1, 2007, through June 30, 2008.

It is our ultimate hope that the 2008 version will provide a long-range contract between CSAC and our valued partner institutions on implementing a more streamlined and efficient grant delivery system that works well for all, and continues to place the students' needs first and foremost in our shared mission to support their financial aid needs. I want to extend a special thanks to all of those individuals who have taken part in this important decision-making process, and I feel confident that this collaborative effort will produce a good working tool for all our financial aid offices statewide.

Take Part in Creating our New Automated Grant Delivery Database System

CSAC is now seeking interested parties from school segments to participate in an advisory work group that will help in the development of the Commission's real-time data base system. The new system requirements include:

- Allowing students a better opportunity to determine award eligibility, status and financial aid availability and select the college of their choice.

- Providing better and more flexible services to high schools, postsecondary institutions and students.
- Reducing workload for participating institutions and high schools.
- Reducing workload for customer service on campus and at the Commission including reduced phone call volume.
- Providing better accounting, reporting and budgeting information for the State.
- Allowing us to be able to continue awards using the federal ISIR (FAFSA data) specifications when federal requirements change.

This system, which we hope to put online by July 2008, will supplement our batch-processing system that delays information sharing between Commission staff, financial aid offices, students and parents. It is hoped the new system can also be used in the future to streamline many grant administration needs, including the high school confirmation requirement outlined in our IPA item above. This second phase will cost \$1.1 million.

We're looking for a wide cross-section of individuals to sit on this panel, which will meet about once a month. A variety of formats, including in-person meetings, teleconferencing and web conferencing, may be employed to conduct business. The first meeting is scheduled for August.

Please join us- We're seeking not only financial aid officers, but IT support personnel, vendors and student representatives as well. If interested, please email sskeoch@csac.ca.gov.

Status Report on the Commission's Budget

Regarding the proposed state budget, the Assembly and Senate Subcommittee Report took the following actions related to the Governor's May Revision. The Committees each took the following concurrent actions:

- Fully funded the Cal Grant Program and the Assumption Program of Loans for Education.
- Authorized 100 new loan assumption warrants for the SNAPLE (State Nursing) loan Assumption program and 100 new loan assumption warrants for the SNAPLE-SF (Nurses in State Facilities) loan assumption program.
- Provided one new position; \$100,000 General Fund; and authority for 100 new loan assumption warrants to implement the Public Attorney Loan Repayment Program.
- Assumed \$1 Billion in revenues to the State General Fund associated with a proposed sale of EdFUND.
- Shifted funding for the ongoing operations of both the Student Aid Commission and the California Student Opportunity and Access Program (Cal-SOAP) from the Student Loan Operating Fund (which is generated by EdFUND) to the General Fund, in order to backfill the loss of EdFUND ongoing revenues - consistent with the pending sale of EdFUND. Both legislative houses so far have voted to reinstall a \$3.6 million cut the Governor proposed to the \$8.6 million Cal-SOAP program. The final program budget will not be determined until the final budget is approved this summer.

Neither the Commission nor the EdFUND Board has taken a position on the proposed sale of EdFUND. The Joint Budget Conference Committee began its deliberations on Friday, June 1st to work out the differences between the Assembly and Senate versions of the Budget Bill. The committee has not discussed the proposed sale of EdFUND as a specific issue.

State Legislation Update

Currently the Legislature is working on the 2007-08 state budget. The Constitution requires the Legislature to present its budget, agreed upon by the Assembly and Senate, to the Governor by June 15. However, this usually occurs after June 15. Once the Governor receives the Legislature's budget, he has 15 days to take action, including using his line-item veto power (to reduce expenditures) and to sign the budget into law.

At a Commission meeting on Thursday, April 19, 2007, the Commission took positions on five bills:

AB 175 (support) Increase amount of Cal Grant B Access Awards

AB 302 (support) Cal Grant B Entitlement Awards (Provide tuition & fees in the first year)

AB 1540 (support if amended) Cash for College Program

AB 1578 (support) Foster Youth Higher Education Preparation Act
SB 160 (support) California Dream Act

Other bills the Commission is monitoring: AB 175 (Price) and AB 302 (De La Torre) remain in the suspense file of the Assembly Appropriations Committee. AB 1540 (Bass) and AB 1578 (Leno) are in the second reading on the Assembly Floor. SB 160 (Cedillo) remains in the suspense file of the Senate Appropriations Committee. For more information on these bills, please visit www.leginfo.ca.gov.

2006-07 Arthur Marmaduke Award Recipient Honored

Each year the Commission/EdFUND presents the Arthur Marmaduke High School Counselor Award to an outstanding California high school counselor who demonstrates commitment and skill in motivating and helping an exceptional number of graduating high school seniors to receive financial aid for education beyond high school. This year's award recipient was selected from an exceptional field of candidates nominated by high school principals from throughout the state.

The 2006-07 award recipient, Robin Sroka of Woodrow Wilson Classical High School in Long Beach, has been recognized locally during her over 20-year counseling career for her extensive and outstanding financial aid counseling practices. During 2006 alone, Ms. Sroka is credited with Woodrow Wilson Classical High students earning over \$3 million in college scholarships and financial aid to use at universities all over the country, and with Wilson Classical seniors submitting over 700 completed Cal Grant applications. She was honored during an awards ceremony at her high school on Wednesday, June 6, 2007.

Established by the Commission/EdFUND in 1985, the award is in honor of Arthur Marmaduke who served as the executive director of the Commission for 25 years. This award is made in honor of his dedication and commitment to helping students gain access to postsecondary education through the Commission's many grant, scholarship and loan programs.

On behalf of the Commission and all Commission staff, I commend the decades of dedication and hard work of Robin Sroka from Woodrow Wilson Classical High School!

Talk with us- The Commission appreciates any comments or feedback you may have regarding the *Fast Blast*. Please forward your comments to fastblast@csac.ca.gov. If this message reaches school staff who are not currently on the Commission's ListServ and wish to be added, they can log on to csac.ca.gov and click on Links and CSAC List Services.

On behalf of the Commission and Commission staff, I want to thank
our financial aid partners for another successful Cal Grant financial aid season.



June 8, 2007